PROVINCE OF BRITISH COLUMBIA

Forty-Eighth Annual Report

of the Business Done in Pursuance of the

Pension (Public Service) Act

YEAR ENDED MARCH 31

1983

Queen's Printer for British Columbia ©
Victoria, 1984

British Columbia Cataloguing in Publication Data

Main entry under title:
Annual report of the business done in pursuance of the Pension (public service) act. -- 45th (1980)-

Report submitted by the Superannuation Commissioner, 1980-
Continues: British Columbia. Superannuation Commission. Annual report of the business done in pursuance of the Public service superannuation act.
ISSN 0709-8251
Report year ends Mar. 31.
ISSN 0228-7390 = Annual report of the business done in pursuance of the Pension (public service) act

1. Civil service pensions - British Columbia - Periodicals. I. British Columbia. Superannuation Commission.

JL432.Z2A33 354'.711'005

To: The Honourable Robert G. Rogers
Lieutenant-Governor of the Province of British Columbia.

MAY IT PLEASE YOUR HONOUR:

The undersigned respectfully submits the Report of the business done in pursuance of the Pension (Public Service) Act during the fiscal year ended March 31, 1983.

JAMES R. CHABOT
Provincial Secretary and
Minister of Government Services

Office of the Provincial Secretary and
Minister of Government Services
Victoria, British Columbia
December 15, 1983

The Honourable James R. Chabot
Provincial Secretary and
Minister of Government Services,
Victoria, British Columbia

Sir,

I have the honour to lay before you the Report of the business done in pursuance of the Pension (Public Service) Act during the fiscal year ended March 31, 1983.

Respectfully submitted,

JOHN W. COOK
Acting Superannuation Commissioner

December 15, 1983

PENSION (PUBLIC SERVICE) ACT

ANNUAL REPORT

Report of the business done in pursuance of the Pension (Public Service) Act for the fiscal year ended March 31, 1983

Sections 1,3,4,6,7,8,10,13,15,17,19,41 (employee and employer contributions) - Employee contributions amounted to $72,964,869 made up as follows:

Compulsory and arrears contributions		$ 71,961,004
Voluntary contributions		576,458
Repayment of refunds for reinstatement		93,209
Purchase of military or other service		334,198

As at March 31, 1983 there were 50,396 active contributors.

Employer contributions amounted to $106,667,203 made up as follows:

Minister of Finance-		
Compulsory and arrears matching		$ 51,467,003
Reinstatement matching		93,209
Military or other service matching		234,049
2% formula requirements		32,226,639
		$ 84,020,900
Other employers -		
British Columbia Assessment Authority		$ 1,411,498
British Columbia Buildings Corporation		1,768,506
British Columbia Development Corporation		105,699
British Columbia Ferry Corporation		3,255,625
British Columbia Housing Management Commission		569,225
British Columbia Institute of Technology		2,007,718
British Columbia Petroleum Corporation		41,729
British Columbia Place		74,484
British Columbia Steamship Company		16,474
British Columbia Systems Corporation		1,144,071
British Columbia Transit Authority		130,720
Crystal Garden		11,399
Emergency Health Services		1,361,966
Employees' union and credit unions and associations		164,996
Kamloops Society for Alcohol and Drug Services		4,225
Liquor Distribution Branch		
Compulsory and arrears matching	2,759,745	
2% formula requirements	2,152,296	4,912,041
Metro Transit Operating Company		5,593,997
Post Secondary Education Councils		46,447
Regional colleges		9,756
Regional districts		2,279
Transpo '86 Corporation		11,913
University of Victoria		1,535
		$ 22,646,303

Section 11 - As at March 31, 1983 deposits with the Treasury at credit of the Public Service Superannuation Fund amounted to $18,326,575. Short-term investments held for the Fund amounted to $611,633,344 at cost. Long-term investments held for the Fund amounted to $853,487,472 at book value and are summarized on Schedule 1. A comparative summary of investment transactions and earnings is attached to this report in Schedule 2(a).

Section 12 - Net income from investments earned by the Fund during the year amounting to $160,104,162 after adjustments in respect of losses on sales and premiums

on purchases was received from the Minister of Finance. The distribution of this amount to the accounts of the Fund includes credits to employee and employer accounts calculated at 4% per annum for employees entering the Service subsequent to April 1 1958 and 5% per annum for those entering the Service prior to that date on the balance on the accounts at April 1 and October 1, 1976, credits to employee voluntary accounts at 6% per annum on the balances at April 1, and October 1, 1976, and credits to Contributory Pensions Account calculated at 5% per annum, on the balances at April 1, and October 1, 1976 as follows:

Employees' Compulsory Contributions Basic Account	$ 14,408,751
Employees' Compulsory Contributions Inflation Adjustment Account	898,694
Employees' Voluntary Contributions Account	654,736
Employer Matching Contributions Basic Account	14,408,751
Employer Matching Contributions Inflation Adjustment Account	898,694
Contributory Pensions Account	14,507,316
Special Agreement Account re certain former employees of B. C. Hydro and Power Authority	1,624
Special Agreement Accounts re certain employees of the Liquor Distribution Branch	1,018
Special Agreement Account re certain former employees of Medical Services Association	4,201
Reserve Account	109,574,980
Unclaimed Monies Account	-
Inflation Adjustment Pension Reserve	4,645,397

An Investment Committee, consisting of the Commissioner of Public Service Superannuation and the Comptroller, Superannuation Commission, together with representatives from the Ministry of Finance and the British Columbia Government Employees Union, meets on a quarterly basis during the year and sets guidelines and policy under which investments may be purchased and sold.

During the fiscal year, the Investment Committee employed varying strategies with regard to funds management. During the April 1 - June 30, 1982 period, 25% of the new cash flow was invested in the 4-7 year term of the bond market and 75% in the money market. From July 1 - September 30, 1982, 50% of new cash flow was invested in the 4-10 year bond market and the balance in the money market. During the last half of the fiscal year, 60% of new cash flow was directed to the 5-10 year bond market and 40% to the 6-12 month sector of the money market. These investments were in highly liquid instruments such as Government of Canada and Provincial bonds.

The Provincial Treasury provides complete financial services to the Pension Fund and includes safekeeping and registration of securities, investment management and cash management.

Section 14 - All monies received and paid out under the provisions of this Act are shown in the statement of changes in fund balance and the assets and liabilities appertaining to the granting of superannuation allowances are shown in the statement of financial position. These financial statements are attached to this report. The notes to the financial statements describe changes which have been made in the method accounting for investments and investment income.

Pursuant to the 1980 amendments to the Act, these financial statements reflect the creation of an Inflation Adjustment Account for the purpose of financing the annual cost of living supplementary allowances as described below.

Sections 15, 17, 18, 19, and 20 - During the year 826 allowances were granted as follows:

Normal retirement	691
Total and permanent disability	45
Deferred allowances	25
Dependents upon death in service	65

As at March 31, 1983 there were 1,016 former contributors with credits in the Fund who were eligible to apply for deferred superannuation allowances after attaining the minimum retirement age.

The present value of the 826 allowances granted during the year in the amount of $71,015,221 as credited to the Contributory Pensions Account from the following sources:

Employees' Compulsory Contributions Basic accumulated with interest	$ 14,299,426
Employees' Voluntary Contributions Account	225,732
Employer Matching Contributions Account	14,299,426
Liquor Distribution Branch Reserve Account	2,615,663
Minister of Finance, under sundry statutory provisions, etc.	32,226,639
Matching amount of refunds of regular contributions (commencing October 1, 1980)	7,110,887
Municipal Superannuation Fund re 6 pensions granted	232,480
B. C. Hydro Pension Fund re 1 pension granted	4,968

The present value of 1 superannuation allowance granted during the year under the Legislative Assembly Allowances and Pension Act, in the amount of $134,378 was also credited to the Contributory Pensions Account.

Section 16 - Transfers totalling $2,338,268 were received from 4 reciprocal pension funds and 9 other pension funds in respect of 7 contributors upon grant of allowance and in respect of 83 contributors following transfer of service as follows:

Upon grant of allowance -		
Municipal Superannuation Fund	4	$ 189,633
B. C. Hydro and Power Authority Pension Fund	1	4,968
Teachers' Superannuation Fund	1	42,847
Members of the Legislative Assembly Superannuation Account	1	134,378
During service -		
Government of Canada Public Service Pension Account	53	$ 1,126,473
Province of Alberta Public Service Pension Fund	18	311,993
Province of Manitoba Civil Service Superannuation Fund	1	29,042
Province of Ontario Public Service Superannuation Fund	4	79,426
College Pension Fund	1	4,706
Municipal Superannuation Fund	2	4,971
Province of Newfoundland Public Service Pension Plan	2	57,157
B. C. Hydro and Power Authority Pension Fund re Metro Transit	-	271,024
Teachers' Pensions Fund	1	36,088
Canadian Broadcasting Corporation Pension Fund	1	45,562

By special arrangement, Crown Life Insurance Company reimbursed the Fund amounts totalling $162,121 representing that portion of the superannuation allowances received by former employees of the Liquor Distribution Branch that had been purchased from the Company prior to August 1, 1961.

Transfers totalling $509,912 were made to 3 reciprocal and 6 other pension funds in respect of 9 contributors upon grant of allowance and in respect of 40 contributors following transfer of service.

Upon grant of allowance -		
Municipal Superannuation Fund	9	$ 100,001
During service -		
Government of Canada Public Service Superannuation Account	18	206,228
B. C. Hydro and Power Authority Pension Fund	5	56,463
College Pension Fund	1	1,585
Municipal Superannuation Fund	5	12,051
Province of Alberta Public Service Pension Fund	5	83,910
Province of Manitoba Civil Service Superannuation Fund	1	9,564
Province of Newfoundland Public Service Pension Plan	1	6,403
Province of Ontario Public Service Superannuation Fund	1	27,115
Teachers' Pension Fund	3	6,592

Sections 18(7), 22 and 23 - Refunds totalling $9,646,423 were granted in respect of 2,845 former contributors as follows:

Resignations	2,622	$ 7,869,053
Death in service	72	553,271
Excess and voluntary contributions on grant of allowance	151	1,224,099

Of the refunds granted upon resignation, no former contributors were eligible to receive a superannuation allowance immediately and 55 were entitled to leave their credits in the Fund in order to receive a deferred superannuation allowance after attaining the minimum retirement age.

Section 27- Administration expenses amounting to $1,319,813 were paid from Consolidated Revenue Fund.

Section 30 - An actuarial valuation was carried out as at March 31, 1980.

The valuation indicates an increase in the unfunded liability in respect of basic pension benefits from about $197,563,000 as of March 31, 1977 to about $631,172,000 as of March 31, 1980.

In the opinion of the actuary, projected statutory employer contributions are sufficient to amortize fully the above unfunded liability in approximately 30 years from March 31, 1980, assuming all actuarial assumptions are realised. However, effective April 1, 1983 the basis of funding of the plan was changed from "terminal funding" to "level contribution funding." Under terminal funding, at the time each pension is granted, the employer contributes an amount equal to the difference between the present value of the pension allowance granted and the value of the employee and matching employer credits. Under level contribution funding the employer contributes an additional percentage of salary, which is calculated to fully fund all new entrants to the plan while maintaining the unfunded liability as a consistent percentage of payroll.

Section 42 - Inflation Adjustment supplements totalling $6,279,568 ($1,254,158 in 1981/82) were charged to Contributory Pensions Account. After the January 1, 1981 adjustment, quarterly increases were replaced by annual increases, the first of which was paid January 1, 1982. The annual increases are tied to the consumer price index and are payable to the extent that the capitalized value is available in the Inflation Adjustment Account. For this purpose employee and employer contributions each at the rate of 1.25% of salary and interest earnings attributable to funds held for the payment of superannuation allowances in excess of the rate assumed by the actuary are allocated to the Inflation Adjustment Account. The former cost of living supplements ($9,474,462 in 1981/82) were rolled into the contributory pensions.

Comparative, statistical and detail schedules of contributions, refunds and allowances granted and in force at the year end are attached to this report.

Sections 43, 44, 45 and 46 - Death Benefits Fund claims payments totalling $107,900 and sources of funds therefor are summarized in a schedule attached to this report.

L E G I S L A T I O N

The provisions of the Pension (Public Service) Act were amended at the 1983 session of the legislature. The significant provisions, effective April 1, 1983 were -

1) To increase monthly employer contributions by 2.5% of salary.
2) To discontinue additional contributions by Government upon grant of allowance.
3) To provide for payment of adm istration expenses from the fund.

JOHN W. COOK, F.C.I.A.
Acting Superannuation Commissioner

EXHIBIT A

PUBLIC SERVICE SUPERANNUATION FUND

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 1983

	1983	1982
ASSETS		
Cash in Treasury and pool investments	$ 18,326,575	$ -
Contributions receivable	5,128,978	27,492,205
Accrued interest on investments	47,021,136	36,371,019
Investments (Notes 2 and 3)		
Short-term	611,633,344	458,209,468
Long-term (Note 3 and Schedule 1)	853,487,472	757,220,852
Realized losses, less gains on sale of investments, deferred for future amortization	2,468,856	-
	$1,538,066,361	$1,279,293,544
LIABILITY AND FUND BALANCE		
Overdraft in Treasury	$ -	$ 15,164,165
Accounts payable	221,298	147,758
	221,298	15,311,923
Fund Balance (Exhibit B) (Note 4)		
Basic account	1,446,646,294	1,223,209,858
Inflation adjustment account	91,198,769	40,771,763
	1,537,845,063	1,263,981,621
	$1,538,066,361	$1,279,293,544

The six accompanying notes are an integral part of these financial statements.

APPROVED BY:

John W. Cook, F.C.I.A., Acting Superannuation Commissioner

C. Webster, C.A., Comptroller, Superannuation Commission

EXHIBIT B

PUBLIC SERVICE SUPERANNUATION FUND

STATEMENT OF CHANGES IN FUND BALANCE

FOR THE YEAR ENDED MARCH 31, 1983

	1983	1982
FUND BALANCE INCREASED BY:		
Contributions:		
Employees:		
Basic	$ 56,927,475	$ 51,476,254
Inflation Adjustment	15,033,529	13,480,618
Voluntary	576,458	750,418
Reinstatement	93,209	63,164
Military service	334,198	986,043
	72,964,869	66,756,497
Employer:		
Province of British Columbia		
Basic	73,210,114	60,721,692
Inflation adjustment	10,810,786	9,805,350
Other employers		
Basic	18,423,562	16,801,542
Inflation adjustment	4,222,741	3,675,267
	106,667,203	91,003,851
Transfers from other funds	2,366,011	26,680,210
Transfers from Members of the Legislative Assembly Superannuation Account:		
Upon grant of allowance	134,378	-
In respect of cost of living supplements	33,532	29,202
Net income from investments received from Minister of Finance (Note 2)	160,104,162	158,573,516
	342,270,155	343,043,276
FUND BALANCE DECREASED BY:		
Superannuation allowance payments:		
Contributory	54,636,332	48,484,023
Inflation adjustment supplements (Note 4)	6,279,568	1,254,158
	60,915,900	49,738,181
Refunds	9,646,423	16,102,436
Transfers to other funds	509,912	355,708
	71,072,235	66,196,325
NET INCREASE IN FUND BALANCE	271,197,920	276,846,951
FUND BALANCE AT BEGINNING OF YEAR	1,263,981,621	982,343,070
PRIOR YEAR'S LOSSES LESS GAINS ON INVESTMENTS AFTER AMORTIZATION NOW DEFERRED FOR FUTURE AMORTIZATION (NOTE 2)	2,665,522	-
PRIOR YEARS' AMORTIZATION OF DISCOUNTS ON INVESTMENTS (NOTE 2)	-	4,791,600
FUND BALANCE AT END OF YEAR	$1,537,845,063	$1,263,981,621

PUBLIC SERVICE SUPERANNUATION FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1983

1. DESCRIPTION OF THE PUBLIC SERVICE SUPERANNUATION PLAN

a) General

The plan is a defined benefit pension plan, whereby benefits are not directly linked to contributions. The plan is open to eligible employees of the public service and of certain crown corporations, agencies, institutions and other designated employers.

b) Retirement Benefits

Members are eligible for unreduced benefits if they retire at age 55 with a minimum of 35 years contributory service and at age 60 with a minimum of 10 years contributory service. Reduced pensions are available at age 55 with a minimum of 10 years contributory service, and at age 60 with less than 10 years contributory service.

Certain groups of employees are eligible for retirement benefits at an earlier age.

The plan provides a pension of 2% per year of service up to a maximum of 70% prior to age 65 of the average salary earned in the five highest earning years before retirement. At age 65, date of death or disability, there is a reduction in the formula as a result of the integration with the Canada Pension Plan (the CPP offset). Reference should be made to the plan text for a more detailed description of the benefits.

c) Termination Benefits

A terminating employee may choose between leaving accumulated contributions on deposit or obtaining a refund. The refund includes interest credited. Employees leaving contributions on deposit having contributed for a minimum of 10 years are entitled to a deferred pension benefit.

d) Other Benefits

Disability and Survivor benefits are available under the plan.

2. SIGNIFICANT ACCOUNTING POLICIES

a) General Information

These financial statements show only the position of the Fund as at March 31, 1983 and the changes in Fund balance for the year then ended and do not purport to show the adequacy of the Fund to meet the obligations of the pension plan. While the statements have been prepared on a full accrual basis, no provision has been made for future pension benefits accrued to date under the terms of the plan. The results of the latest actuarial valuation of the plan are described in Note 5 below.

b) Investment Valuation and Investment Income.

All contributions to the Fund are deposited in the Provincial Treasury and administered by the Minister of Finance, who has invested available moneys in various short-term and long-term investments.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term investments include bonds issued or guaranteed by Canada or a Province. They are carried at cost of acquisition adjusted as follows:

(i) Discounts and premiums on single maturity bonds are amortized on a straight line basis over the term of the bonds.
(ii) Discounts on serial bonds are recognized as income when redemptions occur.
(iii) Shares are carried at cost adjusted by 7% of the difference between cost or adjusted cost and market value.

Gains and losses on disposition of long-term bonds are deferred and amortized over the lesser of the remaining term of the bonds or twenty years.

In the year ended March 31, 1982 and prior years shares were carried at cost of acquisition and gains and losses on disposition of long-term bonds were written off at the date of disposition.

If the statements had been prepared on the previous basis income from investments would have amounted to $160,234,406. Prior years' losses less gains on investments after amortization, retroactive to October 1, 1980, when the Inflation Adjustment Account was established for the financing of pension increases, $2,665,522, have now been deferred for future amortization. The March 31, 1982 comparative figures have not been restated with respect to this change in accounting policy.

Short-term investments are carried at cost.

3. LONG-TERM INVESTMENTS

Long-term investments held at the end of the year are as follows:

	1983 $	1982 $
Book Value	853,487,472	757,220,852
Par Value	861,452,453	754,758,413
Market Value	768,453,062	542,217,665

For more details see Schedule 1.

The difference between the book value and the market value of the investments is not considered to be a permanent reduction of the Fund balance available for payment of pension benefits and therefore has not been provided for as at March 31, 1983, since it is generally expected that Fund investments will be held to maturity.

4. FUND BALANCE

The fund balance is made up of a Basic Account and an Inflation Adjustment Account. The Inflation Adjustment Account was created in 1980 to finance the payment of cost of living supplementary allowances. These allowances are adjusted each January 1st and are related to the annual increase in the Consumer Price Index as at each previous September 30th, but may be

4. FUND BALANCE (Continued)

limited by the availability of funds in the Inflation Adjustment Account to provide the capitalized value of the increases. The Inflation Adjustment Account includes contributions by employees and employers each at the rate of 1.25% of salary, less refunds to former contributors, the interest income therefrom, and the interest income on Basic Account funds attributed to the payment of pensions in excess of the rate assumed by the actuary. During 1982 excess interest earnings of $36,187,191 were transferred from the Basic Account to the Inflation Adjustment Account. Effective January 1, 1983, supplementary allowances at the rate of 10.355% of the basic life time portion of pensions in payment were granted. The capitalized value of these increases was $29,010,656, which amount was transferred from the Inflation Adjustment Account to the Basic Account. In respect of the supplementary allowances, the 1982 comparative figures on the statement of changes in Fund balance have been reclassified to conform with the 1983 presentation. The former cost of living supplements, $9,475,462 in 1982, have been merged with contributory allowance payments.

5. ACTUARIAL VALUATION

According to the Pension (Public Service) Act, an actuarial valuation of the assets and liabilities of the Fund is required to be made by an Actuary at least once in each consecutive period of not more than five years. The most recent valuation was carried out as at March 31, 1980.

The valuation indicates an increase in the unfunded liability in respect of basic pension benefits from about $197,563,000 as of March 31, 1977 to about $631,172,000 as of March 31, 1980. The 1977 amount of $197,563,000 would have been stated as $234,295,000 on the current basis since the actuary has changed his assumptions to include cost-of-living increases in the basic pensions as a result of the legislative changes which occurred in 1980. These increases were not included in the liability in previous valuations.

In the opinion of the Actuary, projected statutory employer contributions are sufficient to amortize fully the above unfunded liability in approximately 30 years from March, 1980, assuming all actuarial assumptions are realised.

The key actuarial assumptions made in the valuation may be tabulated as follows -

Salary growth	-	8.0% for 1980/81 8.0% for 1981/82 13.0% for 1982/83 10.5% for 1983/84 8.0% for 1984/85 6.5% for 1985/86 5.5% thereafter
Interest rate on fund assets	-	6.5% per annum
Mortality - active employees	-	85% and 100% of the 1971 Group Annuity table for males and females respectively.
- other retired	-	Progressive Annuity Table without rating for males and rated down two years for females.

5. ACTUARIAL VALUATION (continued)

Withdrawal	-	Males, 105% and 90% of the graduated select and ultimate rates, respectively, used for the previous valuation Females, 90% and 85% of the graduated select and ultimate rates, respectively, used for the previous valuation
Retirement	-	Select and ultimate experience based on 1975-80 experience.
Retirement age	-	50 - 65

6. LEGISLATION

The provisions of the Pension (Public Service) Act related to the financing of the plan were amended at the 1983 session of the Legislature. The significant provisions, effective April 1, 1983, were -

(i) To increase monthly employer contributions by 2.5% of salary.
(ii) To discontinue additional contributions by government upon grant of allowance.
(iii) To provide for payment of administration expenses from the fund.

PUBLIC SERVICE SUPERANNUATION FUND
SHEDULE 1 (Page 1 of 2)
LONG-TERM INVESTMENTS HELD AS AT MARCH 31, 1983

	Par Value	Book Value	Market Value
Government of Canada	$ 86,225,000	$ 69,525,813	$ 76,706,736
Government of Canada guaranty -			
Federal Business Development Bank	8,000,000	7,982,000	8,680,000
Export Development Corporation	25,000,000	25,000,000	24,637,500
British Columbia Housing & Development Bond	2,800,000	2,800,000	2,885,960
Province of British Columbia	76,844,981	76,858,492	73,690,709
Province of Manitoba	9,460,000	9,404,471	9,412,700
Province of Nova Scotia	1,250,000	1,459,682	1,449,125
Province of Ontario	1,025,000	984,669	923,525
Province of Quebec	14,626,000	14,620,667	15,340,779
Province of Saskatchewan	9,786,000	9,625,947	8,366,370
Province of Alberta guaranty			
Alberta Telephone	16,000	11,310	12,536
Province of British Columbia guaranty -			
British Columbia Building Corporation Note	14,835,000	14,922,041	16,686,408
British Columbia Hydro and Power Authority	384,716,000	381,153,415	302,930,061
British Columbia Railway Company	87,295,000	87,112,606	76,617,549
British Columbia Electric	659,600	611,611	563,939
British Columbia Power Commission	2,796,000	2,746,391	2,283,264
British Columbia Educational Institutions Capital Financing Authority	1,025,000	1,025,000	991,175
British Columbia Regional Hospital Districts Capital Financing Authority	10,000,000	8,890,754	7,887,500
British Columbia School Districts Capital Financing Authority	27,483,900	26,941,103	24,971,397
British Columbia improvement districts	10,115,700	9,988,160	8,176,914
British Columbia municipalities	1,814,272	1,797,985	1,564,031
Municipal Finance Authority of British Columbia	21,705,000	21,641,276	23,422,298
Province of Manitoba guaranty -			
Manitoba Telephone Systems	70,000	66,863	52,010
Province of New Brunswick guaranty -			
New Brunswick Electric Power Commission	1,595,000	1,595,000	1,302,318
Province of Newfoundland guaranty -			
Newfoundland and Labrador Hydro-electric Corporation	700,000	695,538	560,350
Newfoundland Municipalities Capital Financing	3,650,000	3,632,759	3,051,400
Province of Nova Scotia guaranty -			
Nova Scotia Power Corporation	2,347,000	2,252,973	1,816,905
Province of Ontario guaranty -			
Ontario Hydro-electric Power Commission	52,411,000	51,175,106	45,148,379

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 1 (Page 2 of 2)

LONG-TERM INVESTMENTS HELD AS AT MARCH 31, 1983

	Par Value	Book Value	Market Value
Province of Quebec guaranty - Quebec Hydro-electric Commission	$ 3,201,000	$ 3,199,830	$ 2,688,768
Total Value of Bonds and Notes	861,452,453	837,721,462	743,020,606
Shares-			
Bank of British Columbia (119,128)	-	1,475,127	2,263,432
British Columbia Telephone Company (1,215,844)	-	14,242,547	23,101,036
Canadian Pacific Limited (1,200)	-	22,068	52,200
Imperial Oil Limited (300)	-	12,432	8,700
International Nickel Company of Canada Ltd. (450)	-	13,836	7,088
Total Value of Shares	-	15,766,010	25,432,456
	$ 861,452,453	$ 853,487,472	$ 768,453,062
		(Exhibit A)	
1982 Comparisons	$ 754,758,413	$ 757,220,852	$ 542,217,665
		(Exhibit A)	

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 2(a)

INVESTMENT INTEREST AND TRANSACTIONS

COMPARATIVE STATISTICS, APRIL 1, 1973 TO MARCH 31, 1983

YEAR ENDED MARCH 31	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
	%	%	%	%	%	%	%	%	%	%
OVERALL AVERAGE EARNED RATE OF FUND (2)	6.42	6.53	6.94	8.15	6.69	7.52	8.83	9.41	12.42	12.37
	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)
NET INTEREST EARNINGS IN YEAR	16,335	19,193	24,206	34,179	33,994	45,690	63,932	81,107	158,574	160,104
NET INCREASE (DECREASE) IN LONG-TERM INVESTMENTS										
Bonds - par value	24,600	42,595	68,512	86,020	99,120	112,948	73,199	214,221	(2,566)	106,694
Shares - book(3)	6,834	11,712	-	-	-	3,059	-	277	-	728
Inflation Adjustment Account(1)	-	-	-	-	-	-	-	9,661	17,921	22,272
FUND BALANCE AT YEAR END	280,400	327,075	394,988	478,012	572,277	687,918	823,385	982,343	1,263,982	1,537,845

(1) Commenced October 1, 1980.

(2) In 1981/82 the government changed to the accrual basis of accounting. Had the cash basis continued, the earned rate for the year would have been 11.13%.

(3) In 1982/83 the government changed the basis of valuation of shares. Formerly carried at cost, shares are now carried at cost adjusted by 7% of the difference between the previous carried value and market value.

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 2(b)

INFLATION ADJUSTMENT ACCOUNT

STATEMENT OF CHANGES IN ACCOUNT BALANCE

FOR THE YEAR ENDED MARCH 31, 1983

	1983	1982
ACCOUNT BALANCE INCREASED BY:		
Contributions		
Employee	$ 15,033,528	$ 13,480,618
Employer	15,033,528	13,480,618
Transfers from other funds	49,596	38,483
Investment income	6,432,077	4,621,716
Excess interest transferred from Basic Account	45,160,856	17,245,605
	81,709,585	48,867,040
ACCOUNT BALANCE DECREASED BY:		
Refunds	774,627	722,935
Transfers to other funds	21,091	6,248
Allowance increase present value transfers to Basic Account	30,486,861	29,090,654
	31,282,579	29,819,837
NET INCREASE DURING YEAR	50,427,006	19,047,203
ACCOUNT BALANCE AT BEGINNING OF YEAR	40,771,763	21,724,560
ACCOUNT BALANCE AT END OF YEAR	$ 91,198,769	$ 40,771,763

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 3

Main Comparative Statistics, April 1, 1974 to March 31, 1983

Fiscal Year	Number of Contributors	Employee Contributions		Employer Participation		Employee Refund		Superannuation Allowances				
		Regular (3)	Voluntary Reinstatement and Military	Contributions (3)	Refunds to Minister of Finance	Number	Amount	Number Granted	Deaths and Expirations	Number in Force at End of Year	Amount Paid: Fund	Amount Paid: Supplementary Allowances (4)
1973/74	27,936 1,865[1]	13,496,095	1,237,207	19,199,022	2,484,237	2,863	2,827,370	434 1[2]	79 2[2]	3,879 29[2]	7,970,911	1,526,331
1974/75	33,227 2,489[1]	18,438,551	1,274,859	24,350,414	2,646,638	2,923	3,089,966	421 1[2]	102	4,198 30[2]	10,708,455	1,070,104
1975/76	37,526 2,966[1]	25,542,626	1,306,878	35,431,317	2,405,033	2,650	2,876,473	443 4[2]	47	4,594 34[2]	12,916,858	2,616,746
1976/77	37,799 2,970[1]	30,082,968	2,160,465	42,213,670	3,872,153	3,581	4,534,397	508 6[2]	91 1[2]	5,011 39[2]	14,966,711	3,729,673
1977/78	40,604 3,095[1]	36,365,508	2,384,132	51,970,631	4,303,524	2,981	5,110,493	564	114 1[2]	5,461 38[2]	17,611,890	4,851,759
1978/79	43,020 3,243[1]	40,189,724	2,236,950	64,516,199	5,107,284	2,910	6,031,800	686 3[2]	107 1[2]	6,040 40[2]	21,421,711	6,531,972
1979/80	46,177 3,033[1]	44,547,242	1,756,615	71,025,484	7,490,209	3,856	8,727,191	694 7[2]	78	6,656 47[2]	25,582,534	8,615,903
1980/81	47,857 3,640[1]	54,348,447	1,273,020	78,503,914	4,503,644	4,075	12,248,437	709 1[2]	151	7,214 48[2]	30,239,736	11,451,709
1981/82	49,057 3,944[1]	64,956,872	1,799,625	91,003,851	-	5,148	16,102,436	828	134	7,908 48[2]	48,484,023	1,254,158
1982/83	50,396 3,871	71,961,004	1,003,865	106,667,203	-	2,845	9,646,423	825 1[2]	146	8,587 49[2]	54,636,332	6,279,568

1. Nonactive - out of service but account remains at credit.
2. Allowances in respect of former Members of the Legislative Assembly.
3. Employee and employer contributions increased by 0.5% of salary effective November 1, 1976 and by a further 0.5% of salary effective October 1, 1980.
4. Effective July 1, 1974 cost of living supplements commenced. Effective November 1, 1976 these were being financed by the additional employee and employer contributions referred to in note 3. Effective October 1, 1980, employee and employer contributions each of 1.25% of salary are being credited to the Inflation Adjustment Account and used to finance the capital cost of supplementary cost of living pension increases granted each January 1st.

PUBLIC SERVICE SUPERANNUATION FUND
SCHEDULE 4
Comparative Statistics, April 1, 1973 to March 31, 1983
Subdivided According to Sex of Contributor

Fiscal Year	Number of Contributors		Number of Refunds Granted		ALLOWANCES					
					Number of Allowances Granted		No. of Deaths & Expirations		No. of Allowances in Force at end of Year	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
1971/72	17,144	7,581	1,075	859	228	109	74	7	2,611	608
Non-active	712	812								
1972/73	17,834	7,778	1,428	1,359	286	114	82	13	2,815	709
Non-active	861	943								
1973/74	19,095	8,841	1,483	1,380	294	140	71	8	3,038	841
Non-active	927	958								
1974/75	21,879	11,348	1,401	1,522	303	118	85	17	3,256	942
Non-active	1,227	1,262								
1975/76	24,031	13,495	1,121	1,529	307	136	21	26	3,542	1,052
Non-active	1,503	1,463								
1976/77	23,518	14,281	1,549	2,032	364	144	69	22	3,837	1,174
Non-active	1,558	1,412								
1977/78	24,640	15,964	1,223	1,758	387	177	74	40	4,150	1,311
Non-active	1,600	1,495								
1978/79	25,807	17,213	1,174	1,736	487	199	81	26	4,556	1,484
Non-active	1,686	1,557								
1979/80	26,670	19,507	1,722	2,134	471	223	26	52	5,010	1,646
Non-active	1,577	1,456								
1980/81	28,538	19,319	1,760	2,315	484	225	89	62	5,405	1,809
Non-active	1,661	1,979								
1981/82	28,791	20,266	2,324	2,824	626	202	49	37	5,982	1,974
Non-active	1,757	2,187								
1982/83	29,197	21,199	1,128	1,717	630	196	109	37	6,503	2,133
Non-active	1,944	1,927								

Non-active - out of service but account remains at credit.

PUBLIC SERVICE SUPERANNUATION FUND

Schedule 5(a)

NORMAL ALLOWANCES GRANTED APRIL 1, 1982 TO MARCH 31, 1983

SUBDIVIDED BY YEARS OF SERVICE AND VALUE OF ALLOWANCE

Years of Service	Number of Allowances Granted	Average Salary During Last Five Years	Average Annual Allowance on Single Life Plan	Average Value of Allowance	Average Employee Share	Average Government Share
		$	$	$	$	$
Under 10 years	55	23,410	2,504	28,214	7,493	20,721
10 - 14	160	21,992	3,894	38,175	11,123	27,052
15 - 19	125	22,925	6,087	62,753	15,353	47,400
20 - 24	102	22,548	7,962	82,832	17,786	65,046
25 - 29	92	23,039	10,444	108,747	22,010	86,737
30 - 34	54	25,297	14,328	145,448	28,951	116,497
35 & Over	104	27,838	17,208	186,401	29,761	156,640
AVERAGE OF NORMAL ALLOWANCES GRANTED DURING YEAR:						
	62 (Age)	23,632	8,462	88,406	18,215	70,191
TOTAL VALUE OF NORMAL ALLOWANCES GRANTED DURING YEAR:						
	691	16,329,444	5,847,443	61,088,387	12,586,362	48,502,025

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 5(b)

NORMAL ALLOWANCES GRANTED APRIL 1, 1982 TO MARCH 31, 1983

GRANTED TO FORMER CONTRIBUTORS WHOSE MAXIMUM RETIREMENT AGE WAS 65

Years of Service	Age at Retirement													
	Under 55	55	56	57	58	59	60	61	62	63	64	65	Total	%
Under 10	-	5	3	1	1	1	7	4	5	3	6	15	49	8
10 - 14	1	3	2	6	4	2	13	12	8	7	13	83	153	23
15 - 19	-	1	4	4	8	3	15	5	10	9	6	56	121	18
20 - 24	-	5	3	1	3	3	9	10	5	9	6	39	93	14
25 - 29	-	1	2	2	1	4	16	14	4	7	9	24	84	13
30 - 34	-	-	1	1	2	2	16	6	5	2	3	15	53	8
35 & Over	-	14	4	10	17	5	12	7	8	8	7	11	103	16
Total	1	27	19	25	36	20	88	58	45	45	50	243	657	
Percent	-	4	3	4	5	3	13	9	7	7	8	37		100

GRANTED TO FORMER CONTRIBUTORS WHOSE MAXIMUM RETIREMENT AGE WAS 60

Years of Service	Age at Retirement													
	Under 50	50	51	52	53	54	55	56	57	58	59	60	Total	%
Under 10	-	-	-	-	1	-	1	-	-	-	-	2	4	12
10 - 14	-	-	-	-	-	1	-	-	-	-	1	6	8	24
15 - 19	-	-	-	-	-	-	-	-	-	-	-	4	4	12
20 - 24	-	-	-	-	1	1	-	-	-	2	1	3	8	23
25 - 29	-	-	-	-	-	-	-	1	-	1	-	6	8	23
30 - 34	-	-	-	-	-	-	-	-	-	-	-	1	1	3
35 & Over	-	-	-	-	-	-	-	-	-	-	-	1	1	3
Total	-	-	-	-	2	2	1	1	-	3	2	23	34	
Percent	-	-	-	-	6	6	3	3	-	9	6	67		100

ALLOWANCES OTHER THAN NORMAL GRANTED APRIL 1, 1982 TO MARCH 31, 1983

Number of Allowances Granted	Death	Disability	Deferred
135	65	45	25

PUBLIC SERVICE SUPERANNUATION FUND

APPROVED AND RECIPROCAL EMPLOYERS

AS AT MARCH 31, 1983

APPROVED EMPLOYERS

Section 18(4)(a) provides for the granting of a deferred allowance to a contributor who within three years after making his last contribution to the Fund enters the service of one of the following employers and becomes entitled to an allowance -

	Effective Date
B. C. Central Credit Union	December 4, 1974
B. C. Railway Company	June 10, 1963
City of Calgary	July 13, 1972
Government of Canada	June 24, 1955
Legislative Assembly of the Province of British Columbia	June 10, 1963
Pacific Press Limited	July 14, 1960
University of British Columbia	August 20, 1962
University of Victoria	December 21, 1970
Pacific Coach Lines (formerly Vancouver Island Coach Lines)	April 1, 1979
Simon Fraser University	September 18, 1980

SPECIAL AGREEMENT WITH APPROVED EMPLOYERS

Section 38(4) provides for the transfer of funds in respect of an employee who following termination of service transfers to or from one of the following approved employers and makes application for such transfer of funds in accordance with the terms of the agreement -

B. C. Hydro and Power Authority	September 14, 1970
Central Mortgage and Housing Corporation	March 6, 1975
Government of Canada	June 24, 1955
Province of Alberta	October 19, 1976
Province of Alberta - Management Positions	May 5, 1977
Province of Manitoba	February 17, 1975
Province of New Brunswick	December 11, 1974
Province of Newfoundland	September 23, 1980
Province of Ontario	August 4, 1971
Province of Prince Edward Island	March 1, 1979
Province of Saskatchewan	May 2, 1977
Canadian Broadcasting Corporation	July 2, 1981

RECIPROCAL EMPLOYERS

Section 16 provides for the method of determining pensionable service and highest average salary together with pro-rata sharing of the present value of the allowance and transfer of funds in respect of an employee who within three years of termination of his service transfers to or from the service of the following reciprocal employers -

An employer under the Pension (College) Act	April 1, 1973
An employer under the Pension (Municipal) Act	April 1, 1973
An employer under the Pension (Teachers) Act	April 1, 1973
Workers' Compensation Board	June 5, 1974

PUBLIC SERVICE SUPERANNUATION FUND

APPROVED LONG TERM DISABILITY

SALARY CONTINUANCE PLANS

AS AT MARCH 31, 1983

Employer or Plan	Effective Date
B. C. Assessment Authority	October 14, 1976
B. C. Institute of Technology	July 25, 1977
Emergency Health Services Commission	January 6, 1978
Metro Transit Operating Company	June 10, 1980
Public Service Long Term Disability Plan	April 26, 1978
Workers' Compensation Board (Boards of Review)	October 10, 1980
B. C. Government Employees' Union	May 27, 1981
B. C. Housing Management Commission	July 6, 1981

PENSION (PUBLIC SERVICE) ACT

SCHEDULE 6

DEATH BENEFITS FUND

SUMMARY OF CLAIMS PAID DURING YEAR ENDED MARCH 31, 1983

Number of Claims	Amount of Claims	Total
1	$ 100	$ 100
104	500	52,000
10	600	6,000
8	700	5,600
9	800	7,200
10	900	9,000
28	1,000	28,000
170		$ 107,900

SUMMARY OF SOURCES OF FUNDS FOR YEAR ENDED MARCH 31, 1983

Contributions by superannuants	$ 55,509
Contributions by Government	52,391
	$ 107,900

5,737 superannuants were contributing as at March 31, 1983.

POOR

QUALITY

ORIGINAL